No. 54.

Petition for rehearing.

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Supreme Court of the United States.

OCTOBER TERM, 1901.

No. 54.

HOLZAPFEL'S COMPOSITIONS COMPANY, LIMITED,
Petitioner,

vs.

RAHTJEN'S AMERICAN COMPOSITION COMPANY,
Respondent.

Respondent's Petition for Rehearing

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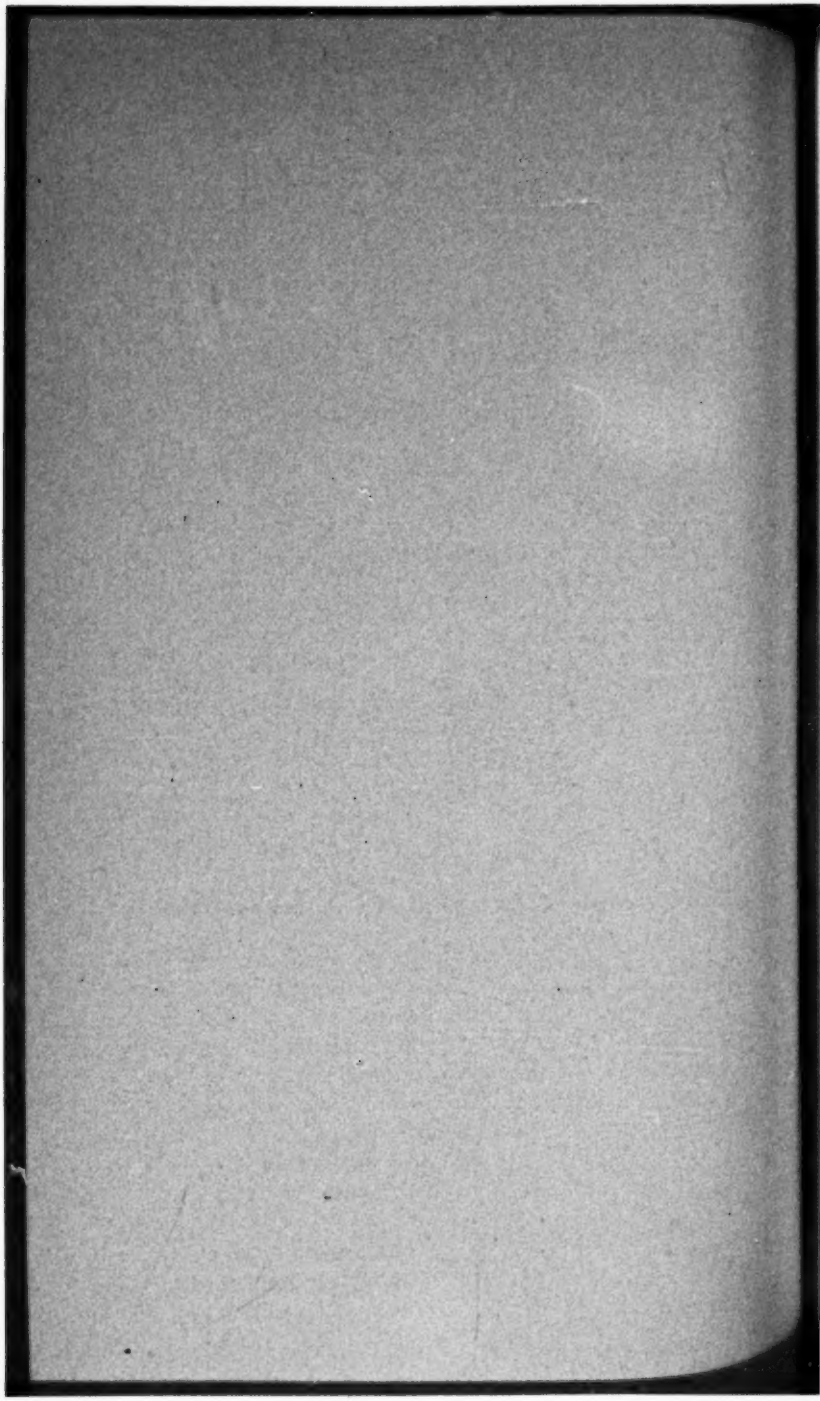

Supreme Court of the United States.

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No. 54.

HOLZAPFEL'S COMPOSITIONS COMPANY, LIMITED,
Petitioner,

AGAINST

RAHTJEN'S AMERICAN COMPOSITION COMPANY,
Respondent.

On Writ of *Certiorari* to the United States Circuit Court of Appeals for the Second Circuit.

Respondent's Petition for a Rehearing.

Now comes the respondent and respectfully prays the Court to restore the above-entitled cause to the docket and to order a reargument thereof, for the reason that the opinion of the Court recently handed down therein is based upon material mistakes of fact, which are set forth in the accompanying memorandum.

Respectfully submitted,
RAHTJEN'S AMERICAN COMPOSITION CO.,
By TIMOTHY D. MERWIN
and
THOMAS B. KERR,
Its Counsel.

Memorandum.

In support of the petition the following mistakes of fact in the Court's opinion, are specifically noted. (Italics ours throughout.)

I. That the paint shipped by Rahtjen from Germany into the United States (particularly from 1870 to 1873 inclusive) was *labeled "Rahtjen's Patent Composition."*

II. That the paint shipped from England to the United States (particularly from 1879 to 1883, inclusive) was *marked "Rahtjen's Patent Composition."*

III. That Suter, Hartmann & Co.'s agency for the sale of the paint in England was *not established till 1873.*

IV. That Hartmann Bros., or Suter, Hartmann & Co., *manufactured the paint for themselves from 1870.*

V. That the trade-mark of the *open hand*, together with the words *"Rahtjen's Patent Composition,"* was registered in England, in 1883, by *Suter, Hartmann & Co.*, accompanied by a *disclaimer* of the words "Rahtjen's Composition."

VI. That the *domestic trade-mark, "Rahtjen's Composition," was not used until after that name had been used* in this country *by the Holzapfel Co.*

I.

The Court is mistaken in finding that the paint shipped by Rahtjen into the United States (particularly from 1870 to 1873, inclusive) was labeled "Rahtjen's Patent Composition."

> The exact language of the Court is as follows: (Op., p. 2): "Up to the time of the above assignment (January 15, 1878) the Rahtjens had consigned their paint to New York in barrels or casks addressed to Gelien, and with *labels affixed thereon*, in which the article was described as '*Rahtjen's Patent Composition.*'"
>
> (P. 5:) "It appears from the record that from 1870 to 1879, or late in 1878, the paint was manufactured in Germany by Rahtjen, and sent to the United States in casks or packages marked '*Rahtjens Patent Composition Paint.*'"
>
> (P. 6:) "In 1873 an English Patent had been obtained, and from that time to 1878, when the Rahtjens assigned the exclusive right of sale in the United States to Suter, Hartman & Co., the words '*Rahtjen's Patent Composition*' were used on casks containing the paint sent by the Rahtjens to the United States."

If by "labels" the Court means paper labels, such as are referred to as "labels" in the record, the first statement quoted above is erroneous, because there is no evidence to that effect. The method of marking was with stencils, not labels.

All evidence in the record on this point is confined to the depositions of the witnesses, John Rahtjen, Heinrich Rahtjen and Henry Gelien, and the exhibits produced by them and placed in evidence.

There is nothing in the testimony and exhibits of these witnesses which supports the impression of the Court. On the other hand, the evidence establishes the exact opposite.

The critical or vital part of the period named is that from 1869 until the last of the year 1873, at which latter time John Rahtjen went from Germany to England, and application was made for the English Patent. During those years John Rahtjen personally stenciled most of the packages of paint shipped to Gelien, the sole agent in the United States. The correct version of the facts is given in the following quotations from the record (Testimony John Rahtjen, Rec., p. 104):

"Q. 51. Did you attend to or have knowledge of the shipment of Rahtjen's compositions during these years to Mr. Gelien? A. Yes.

"Q. 52. In what kind of packages were the composition usually shipped to him? A. Either in barrels or casks of about 2 cwt.

"Q. 53. Were there any *distinguishing marks* to show what the contents of these barrels or casks were, placed upon the barrels when shipped to him; and, if so, what marks or names were applied? A. The marks were 'H. G.' and the numbers on one side, and on the other side the contents, whether No. 1 or 2, and around these 1 or 2 '*Rahtjen's Composition.*'

"Q. 54. How was the name 'Rahtjen's Composition' placed upon the barrels or casks? A. So far as I remember *they were stenciled.*

"Q. 55. Was this name applied to these casks during this term of years in the shipments made to Mr. Gelien as the *distinguishing mark of the contents?* A. *Yes; they were.*

"Q. 56. *Do you know this of your own knowledge?* A. *Yes, I have marked nearly all the casks myself,* with the assistance of my brother.

"Q. 57. With the name '*Rahtjen's Composition*'? A. *Yes.*"

In cross-examination, the witness reiterates the foregoing statement, as follows, at page 111:

"x-Q. 128. You say, as I understand you, that you marked the barrels and casks containing the 'Rahtjen Composition' for shipment in the year 1871 and thereafter to the middle of 1879. That is correct, is it not? A. Yes, I have said that. I have marked them not alone, but with the assistance of my brother. When I left for England my brother took the marking.

"x-Q. 129. When did you leave for England? A. 1873.

"x-Q. 130. From 1871 up to 1873 *you attended to the marking or stenciling of the barrels and casks containing the composition?* A. *Yes.*"

It elsewhere appears that John Rahtjen left Germany for England at the end of 1873 (see his answer to Q. 380, on p. 140, of the record).

The facts stated by this witness are strictly in accord with, and following out, one of the essential conditions of the exclusive agency conferred upon Gelien, as set forth in the letter of Rahtjen to Gelien in November, 1869 (see Ex. Q., Rec., pp. 189, 190), as follows:

"In order to introduce my composition paint there, I quote you the following terms:

"(1) *The paint shall be brought on the market under the name of 'Rahtjen's Composition'.*"

This requirement of Rahtjen is specially significant in view of the preceding statement in the letter to the effect that he *did not intend to apply for a patent* upon the paint in the United States, but sought to introduce it there *without a patent. This shows that the question*

of patenting had been fully considered, and that the omission in the shipments to the United States of the word "Patent" in connection with the name, which it appears Rahtjen had been using in Germany, and subsequently used in shipments to England, where a patent was applied for, *was intentional.*

There can be *no doubt* that during the entire period of Gelien's agency from 1870 to 1878, inclusive, the paint shipped to the United States *was marked "Rahtjen's Composition," without the word "Patent,"* and that Gelien advertised and sold it under that name and *without the word "Patent"* (see Gelien's show card, Ex. R., Rec., opp. p. 208; Ex. U, Gelien's letter-head, both reproduced in the appendix to respondent's main brief; Ex. QQ, Gelien's invoice book, reproduced as a supplement to the record).

Further, John Rahtjen testifies that the terms of the letter of November, 1869, were complied with by Gelien (Rec., p. 102):

> "Q. 37. State whether or not the conditions and terms of the agency under which Mr. Gelien acted thereafter were in harmony with the terms of this letter. A. They were."

Gelien confirms this (Rec., p. 167):

> "Q. 21. State whether or not the terms of your agency for Mr. John Rathjen during the years mentioned were in substantial accordance with the letter of November [13], 1869? A. Yes, sir; that was the start of the correspondence in regard to the agency."

That Gelien bought and sold the paint as "Rahtjen's Composition" is evident from his testimony (Rec., p. 165):

> "Q. 3. Were you, during those years, the agent for any kind of composition for ships' bottoms?

A. Yes, I was agent, besides my business with Brickenstein. I carried on special business for selling composition paint.

"Q. 4. *What was the name of the composition paint which you sold?* A. *It was 'Rahtjen's Composition'* paint."

See, also, testimony of John Rahtjen in respect to an order from Gelien for paint (Rec., p. 117):

"x-Q. 194. Do the words 'Rahtjen's Composition' or the word 'Rahtjen' appear anywhere in the written context of that letter? A. They do not appear, *but the heading of the letter says to what it refers.* I may add that Gelien *received nothing but 'Rahtjen's Composition'* from me.

"x-Q. 195. Have you any written orders from Gelien for your composition in which the word 'Rahtjen' appears? A. It is never found necessary to write that. It was a matter of fact that *whenever Gelien ordered paint it was 'Rahtjen's Composition.'*

(P. 118:) "x-Q. 207. You do not know of your own knowledge under what name he sold it or invoiced it to his customers? A. *He was bound to use the name 'Rahtjen's Composition.'* Whether he has done so in every instance I cannot trace, but I believe he has, because the name of 'Rahtjen's Composition' was the name under which the paint was readily sold."

Gelien was Rahtjen's sole representative and exclusive agent in the United States, acting under specific requirements as to the name under which the paint must be sold (Ex. Q., Rec., pp. 189, 190; also, J. Rahtjen's Answer to Q. 65, p. 105):

"Q. 65. State whether or not Mr. Gelien, during the years 1870 to 1877, inclusive, was the *sole and exclusive agent* and seller of your 'Rahtjen's Compositions' in the United States? A. *He was.*

"Q. 66. Was *any other party* than Mr. Gelien authorized by you to use the trade-mark or trade-name of 'Rahtjen's Compositions' in the United States during those years? A. *Nobody was authorized* to use my name or the mark of '*Rahtjen's Composition*' *except Gelien.*"

In this respect Gelien occupied exactly the same position to Rahtjen that Donald subsequently did to the Holzapfel Company, and Gelien's acts were as much the acts of his principal in establishing the trade-mark as the later acts of Donald were of his principal in establishing that company's alleged use of the name prior to the domestic trade-mark. The sales to the trade were only by or through the agent in each instance. This seems to have been overlooked by the Court in its allusion to Gelien (Opinion, p. 1):

"They [Rahtjens] shipped some of the paint manufactured by them in Germany to the United States in 1870, consigned to Henry Gelien. They did not put it upon the market by sending generally to those who might wish to use it, but all their consignments from 1870 to 1878 were made to Gelien. Under what marks he sold the article does not appear."

There is nothing in the record inconsistent with the evidence cited, except an answer of Heinrich Rahtjen, on page 155, as follows :

"Q. 7. How were the barrels or casks of Rahtjen's Compositions marked that were sent to Gelien and Hartmann, LeDoux and Maecker by you? A. Those to Gelien, on the one side with 'H. G.' and the number and 'Hoboken,' and on the other side 'Rahtjen's Composition,' or Rahtjen's Patent Composition'; and those to Hartmann, LeDoux and Maecker on one side 'H.,LeD.

& M., New York,' and on the other side 'Rahtjen's Composition' or 'Rahtjen's Patent Composition.'"

This general statement of one attempting to recall events nearly thirty years old, in which another was the active participant, does not controvert the positive testimony of John Rahtjen, above quoted, who was the real manager of the business and among whose duties were the actual marking and shipping of the paint.

There is nothing in this entire record that can furnish the basis of the assumption or conclusion that the Rahtjens were guilty of false statements or representations in the marking of the paint sent to the United States.

As to the paint put upon the German market, the use of the word "Patent" was not deceptive, since it was in accordance with a German custom explicitly recognized by the German Court in the Hamburg case, the decision in which was put in evidence by the defendant-petitioner herein. The language of the Court in that case on this point is as follows (Rec., p. 369):

> "But, in the first place, an argument adduced in defense of the defendants, and especially in defense of the defendant Max Holzapfel, must be rejected as irrelevant. It is to the effect that the description '*Rahtjen's Patent Composition*' is to be considered as common property *because it has become a generally accepted description* of ships' bottom paint, prepared with alcohol instead of oil—*i. e.*, a generic term—or, in other words, *a name which by trade custom serves to designate ship-bottom paint, without being intended to ascribe any special source* (or, in particular, Rahtjen's works) *to such paint.* The two experts who have been heard have both declared that *this is not the case*, and that there existed many ship-bottom paints manufactured on the same or a similar

> principle which are not described as 'Rahtjen's Patent Paint' or 'Composition.' *As a generic term for such paints, the expression 'Patent Paints,' or 'Patent Compositions,' appears alone to have become usual, while the several manufacturers append their own names to this designation in order to show that what they offer is a patent paint produced by them as a specialty of their own* Thus, for example, we have Hoveling's patent paint, or Dr. Pflug's patent paint."

It would also seem that the language quoted was overlooked by this Court when it said (Op., p. 8):

> "The judgments in the Antwerp and Hamburg courts simply showed that in those countries the use of the words '*Rahtjen's Composition*' or '*Rahtjen's Patent Composition*' *had become descriptive of the article itself and did not in any way designate the persons who manufactured it.*"

Two conclusions are clearly found in the Hamburg decision—*i. e., that the described use of the word "Patent" was in Germany a recognized custom of trade and not a fraud, and that the name "Rahtjen's Composition" was not generic, but that the surname "Rahtjen" did indicate origin.*

Prior to 1874 all the paint for England was manufactured in Germany and shipped from there to England, marked as had been the custom in Germany, and with the evident purpose of applying for an English Patent as was later done. *On the other hand, in shipping to the United States, where Rahtjen had decided not to apply for a patent, that word was carefully and designedly omitted from the markings* and from the trade-mark.

The misapprehension of the Court is *material,* because upon it is based the ruling that *because of such alleged false representation Rahtjen acquired no trade-*

mark rights in the United States, and hence could transmit no such right to this respondent. It would seem to follow that *if there was no false representation Rahtjen did establish his trade-mark right, and could and did transmit it to respondent.*

II.

The Court mistakenly states that the paint in question which was shipped from England to the United States from 1879 to 1883 was marked "Rahtjen's Patent Composition."

The statement is as follows:

> (Op. p. 2:) "After the assignment to Suter, Hartmann & Co. of the exclusive right of sale in the United States and up to the year 1883, that firm sent the paint to the United States under the description of '*Rahtjen's Patent Camposition*'";
> and
> (P. 7:) "This rule held good when, at the expiration of the patent in November, 1880, Suter, Hartmann & Co., continued to send the paint to the United States as '*Rahtjen's Patent Composition*, Hartmann's Manufacture.' * * * After Suter, Hartmann & Co. obtained the trade-mark of an open hand, originally painted red, together with the name '*Rahtjen's Patent Composition*,' which was some time in 1883, the paint was sent to the United States *under that designation.*"

The evidence does not show that the packages of the paint when shipped from England to the United States

bore the mark "Rahtjen's Patent Composition," but the exact contrary, fully sustaining our contention that the word "Patent" was never used in marking the paint shipped to the United States.

The best evidence of what these markings really were from 1879 to 1884 is *the fac-similes of the actual stencils used.* These appear in evidence as Complainant's Exhibit KK, printed on page 198 of the record, and reproduced in the appendix to respondent's main brief. This exhibit was produced by the witness, William Hartmann, who testified about it as follows:

> (Rec., p. 87): "Re-d. Q. 323. State also whether, in such examination, you have come upon any stencils, or copies of stencils, used by the firm of Hartmann Brothers before the organization of your corporation, and, if so, will you produce the same? A. I have. I hereby produce them.
>
> "Re-d. Q. 324. Please explain what the separate papers are. A. The *first two are photographs of stencils that were in the possession of Hartmann Brothers before the red hand was registered.* The other photos are reproductions of stencils showing the red-hand trade-mark, and the next are stencils of the same." * * *
>
> "Re-d. Q. 327. State whether or not they are correct representations of the stencils which were used as you state by Hartmann Brothers. A. *They are.*"

John Rahtjen testifies to turning over to Hartmann Brothers in 1880 the stencils which he had previously been using (p. 112):

> "x-Q. 145. What became of those stencils when you ceased to use them? A. They became the property of Hartmann Brothers, my successors."
>
> (P. 132:) "x-Q. 315. These stencils were then turned over to Hartmann Bros. some time in 1880? A. In 1880.

" x-Q. 316. Were they transferred to Hartmann Bros. for the *purpose of their continuing the use of such stencils* and for the *purpose of continuity in the markings?* A. *Yes, they were,* but I do not know whether they used them as they got them, because they made some additions to it.

" x-Q 317. Did the stencils which you turned over to Hartmann Bros. contain the word 'Rahtjen' or the words 'Rahtjen's Composition?' A. '*Rahtjen's Composition.*'

" x-Q. 318. *Are you positive about that—that these stencils did contain the words 'Rahtjen's Composition'?* A. *Yes.*"

(P. 133 :) " x-Q. 330. Is it not possible that the stencils, or markings, on the barrels or casks, as put on by you and afterwards by Hartmann Bros., did not contain the words 'Rahtjen's Composition'? A. *I had extra stencils made for that purpose—'Rahtjen's Composition';* other stencils with 1, 2 and 3; other stencils with destination, and, besides that, the numbers of the casks and 'S., H. & Co.,' and what else was wanted."

" x-Q. 335. As you transferred these stencils to Hartmann Bros. in 1880, or 19 years ago, and used them prior to that time, it is requiring you to carry back your memory over a long time, and is it not possible that you may be mistaken as to the words 'Rahtjen's Composition' appearing on the markings of the barrels or casks themselves? A. *I made no other stuff than 'Rahtjen's Composition,'* and there was no necessity for me to mark them differently.

" x-Q. 336. You have said in your cross-examination that your memory for facts and events is not very reliable. In view of that statement, and in view of the long period of time over which you are required to carry back your memory, is it not possible that you may be mistaken regarding the words 'Rahtjen's Composition' appearing in the

markings themselves on the casks or barrels? A. *I have always taken care that 'Rahtjen's Composition, should appear on every cask;* but as no man is infallible, some of the casks may not have been marked. Of course, for a certainty, I could not say that every keg or cask did bear the words 'Rahtjen's Composition.' *Instructions were given that it should be stenciled on.*"

(P. 137:) "Q. 362. Do you know whether Hartmann Brothers marked the drums or barrels of Rahtjen's compositions with the words 'Rahtjen's Composition,' after they succeeded to your business? A. After I left England, Hartmann Brothers had some difficulty now and then in making the composition, and I had to come to London to assist them. When at the works I had some drums taken before me and had [them] opened *them* to examine the contents. *I then saw that the drums were marked 'Rahtjen's Composition,'* so far as I remember.

"Q. 363. How frequently did you visit their place of business after they had succeeded you? A. I was in London the second year, I think, three times. The third year I do not remember. They managed to get on by themselves.

"Q. 364. You then visited their place of business several times after you had transferred the business to them? A. I did.

"Q. 365. And you, therefore, had opportunity at such visits to see the drums which they were using and the marks upon them? A. *Yes; so far as I remember, they were all marked 'Rahtjen's Composition.'*

(P. 140:) "Q. 386. I read to you from your redirect examination: 'Q. 365. And you, therefore, had opportunity at such visits to see the drums which they were using and the marks upon them? A. Yes; so far as I remember, they were all marked "Rahtjen's Composition."' This question

and answer is in connection with the markings which you state you saw upon the drums of Rahtjen's Composition manufactured by your successor, Hartmann Bros. Are you certain that you saw the mark 'Rahtjen's Composition' upon their packages? A. *Yes; I am certain.*"

(P. 149:) "x-Q. 478. And how were the drums which you had opened at that time marked? Describe the markings on the drums. A. *What I remember was 'Rahtjen's Composition'* on them, and the No. 1, 2 or 3."

(P. 150:) "x-Q. 493. Is it not a fact that in testifying with regard to the markings on those drums, you are testifying more in regard to your recollection of the general course of markings rather than to any picture of those drums that you have now before your eye? A. *I saw that those packages which were opened for my inspection bore the mark 'Rahtjen's Composition' on them*—1, 2 or 3.

"x-Q. 494. But you do not remember whether it was 1, 2 or 3? A. I do not remember.

"x-Q. 495. And all you do remember are the words 'Rahtjen's Composition'? A. '*Rahtjen's Composition*' *was on them*, and the figure to show the contents."

August Hartmann, one of the firm of Hartmann Brothers, and who was familiar with the factory business of the firm, testified on this point as follows (Rec., p. 155):

"Q. 5. Do you know how the barrels, casks and drums of Rahtjen's composition as manufactured by your firm were generally marked? A. Yes, I have a good recollection of it.

"Q. 6. I show you 'Complainant's Exhibit KK.' Referring to the second photograph, please state how many different stencils were used to

make up that one photograph? A. Eight different stencils shown on that photo, taking the number '150' as one stencil.

"Q. 7. Please give the matter which was on each stencil? A. '*Rahtjen's anti-fouling composition*,' first; 'Remove head and stir well before using,' second; 'III.' in the centre, third; 'S. H. & Co.,' fourth; '150,' fifth; 'Trieste,' sixth; 'III.,' seventh; 'Stir well before using,' eighth.

* * * * * *

"Q. 11. How were the packages containing Rahtjen's composition manufactured by Hartmann Brothers, which were shipped to agents in the United States, marked, distinguishing the marks before the (ho)use of the red hand brand from these used afterwards? A. *I should say they were marked according to these stencils.*

"Q. 12. Were the stencils shown in photographs 1 and 2 of this exhibit used upon packages of Rahtjen's composition of your firm's manufacture *which were sent to the United States before 1883?* A. *Yes, to the best of my recollection, they were.*

* * * * *

(P. 157:) "x-Q. 23. I will ask you the same question that I asked your brother in reference to the upper half of the first photograph—namely, whether it is not probable that, in grouping the several stencils going to the form of marking on this other half, the stencil containing the word 'priming' has not been used inadvertently instead of, say, the 'No. 3'? A. *No, I am quite clear on this point; my recollection is that 'Rahtjen's anti-fouling composition' formed the general designation for composition,* and was called so by us in all our circulars, and this stencil was put on all casks and kegs, with only this difference: that, where it was priming, the head of the cask would

be white, and 'priming' would be stenciled in the centre."

(P. 158:) "x-Q. 27. And is it not a fact that the three bars or numerals and the words 'Stir well before using' constituted the markings on the other end of the cask or barrel as you marked them? A. No, I should not say so. I should say that this 'III, stir well before using,' would be used in place of the 'III' above, and 'Remove head and stir well before using' *in connection with 'Rahtjen's anti-fouling composition.'*

* * * * *

"Re-d. Q. 30. What, if anything, would ordinarily be used in addition to the markings on the bottom of the second photograph when placed upon a barrel head as shown in the upper left-hand corner of Defendant's Exhibit Photograph? A. *I should say the stencil mark, 'Rahtjen's anti-fouling composition'* (pointing to that at the top of the photograph).

"Re-d. Q. 31. Referring to the picture of a barrel head at the lower 'eft-hand corner of the Defendant's Exhibit Photograph, what would ordinarily, and in the usual course of business, be placed upon the barrel head in addition to the words 'Priming, stir well before using,' if anything? A. *I repeat the same answer—'Rahtjen's anti-fouling composition'—which was the usual designation.*"

By reference to the stencils—Ex. K. K.—it will be seen that they *no where contain the word "patent,"* but that the first two which were used prior to 1883 in marking the the shipments to the United States, contain the words "*Rahtjen's anti-fouling composition,*" and the stencils Nos. 3–7, and 9, which were used for like purpose after 1883 to the date of suit, contain the words "*Genuine Rahtjen's Composition.*" *There is*

absolutely no evidence of the use on these shipments of any other stencils, labels or other marking devices, and the only reasonable conclusion is that the shipments to the United States were marked "Rahtjen's Composition" and not "Rahtjen's Patent Composition."

The mistake of the Court in finding as it did is material, because upon it is based in part its ruling that the trade-mark "*Rahtjen's Composition*" *was not used* in the United States *prior to its use by Holzapfel*, and hence that it could not be transmitted to this respondent. It is apparent from the evidence cited that this finding and ruling was made under a misapprenension.

III.

The Court erroneously finds that Suter, Hartmann & Co.'s agency for the sale of Rahtjen's composition in England, did not begin till 1873.

The statement is:

> (Op., p. 3). "*In 1873* they (Rahtjens) entered into negotiations with Suter, Hartmann & Co. in England for the sale of their paint in that country."

On the contrary, these negotiations took place in *1870*, and the agency commenced in *January, 1871*, and continued uninterruptedly till long after 1873, in fact, until 1888 (see Dep. W. Hartmann Rec., p. 53).

> "Q. 2. State whether or not you were ever connected with the firm of Suter, Hartmann & Co.?
> A. Yes, I was.

Q. 3. In what capacity and for how long ?

A. I was the founder of the firm of Suter, Hartmann & Co. *in the beginning of the year 1871* up to the time of the formation of the company, Suter, Hartmann & Rahtjen's Composition Company, Limited, constituted in the year 1888.

" Q. 4. Were you then a partner in the firm of Suter, Hartmann & Company during that entire period ?

" A. Yes.

" Q. 5. What was the business of Suter, Hartmann & Co. ?

" A. *The sole consignees of Rahtjen's Composition.*

" Q. 6. Sole consignees of what consignor ?

" A. Of John Rahtjen, Bremerhaven."

* * * * *

(P. 68:) " x-Q. 140. When did James Suter & Company first begin the sale of Rahtjen's composition ?

" A. James Suter & Company was in existence *when we applied to Rahtjen for the sole sale of the paint. As soon as we arrived with Mr. Rahtjen at an understanding, the firm Suter, Hartmann & Company was constituted a few months after, in January, 1871.*"

It is, therefore, clear that these agency negotiations took place *before 1871*, and the agency commenced as early as *January, 1871.*

This mistake is material, because on it is based the *assumption that there was no use of the name " Rahtjen's Composition " in England prior to the date of the English Patent, and hence that the name was first applied to a patented article.*

IV.

The Court also erroneously finds that Hartmann Bros., or Suter, Hartmann & Co., manufactured the paint for themselves from 1870.

This finding is as follows:

> (Op., p. 2:) "*After 1870* the firm of Hartmann Brothers, or Suter, Hartmann & Co., *manufactured* the composition for *themselves* in England *by the license of the Rahtjens, and for a time after 1874 Rahtjen also manufactured* in England as well as Germany."

This statement has no support in the record, and is an evident misapprehension, because it appears that *Suter, Hartmann & Co., were selling agents* only, and *never manufactured the paint. Hartmann Bros., the manufacturers, had no connection with the business until 1880,* when they acquired the Rahtjen factory in England, and the exclusive right to manufacture the paint and to use the trade-mark in England.

> (Rec. p. 107): "Q. 83. Down to what time did you continue to manufacture 'Rahtjen's Compositions' in England yourself?
>
> "A. Up to 1878 in Liverpool, and then from 1878 to 1880 in London.
>
> "Q. 84. Who were your consignees or agents in England during that period, and state whether or not they were exclusive agents for Great Britain?
>
> "A. Suter, Hartmann & Co. were the exclusive agents.
>
> "Q. 85. Who succeeded you in the manufacture of 'Rahtjen's Compositions' in England?
>
> "A. Hartmann Brothers. * * *

"Q. 90. For how long a time, if you know, did Hartmann Brothers carry on the manufacture in in England of 'Rahtjen's Compositions?'

"A. From 1880 until the present company of Suter, Hartmann & 'Rahtjen's Composition' Co., Ltd. was founded."

See, also, Extracts from Ex. H H, Rec., pp. 207 and 208.

The manufacturing of the paint prior to 1880 was carried on exclusively by Rahtjen, beginning in Germany in 1865, shipments being made into England from Germany consigned to his exclusive agents, Suter, Hartmann & Co., until 1874, when Rahtjen established a factory in England for the trade there.

This mistake of the Court also is material, because, if such had been the fact, the manufacture of the paint by other parties beside Rahtjen, and with his consent, would have supported the conclusion of the Court that the name "*Rahtjen's Composition*" *had been by Rahtjen dedicated to the public and had become a mere descriptive term, indicating the thing, but not its ownership or origin.* The evidence shows the contrary to be the fact, as above stated, and that the *name never lost its significance as denoting origin.*

V.

The Court further errs in finding that the trade-mark of the symbol of the open hand was registered in 1883 in England by Suter, Hartmann & Co., together with the words "Rahtjen's Patent Composition," and that this registration was secured only by

their disclaimer of the words "Rahtjen's Composition."

The Court says (Op., p. 6):

> "From that time [1880] until 1883, when the trade-mark was obtained by Suter, Hartmann & Co." * * * (P. 7:) "After Suter, Hartmann & Co. obtained the trade-mark of an open hand, originally painted red, *together with the name 'Rahtjen's Patent Composition,'* which was some time in 1883, the paint was sent to the United States under that designation, *but the trade-mark was not obtained without the positive disclaimer* by the plaintiffs of the right of exclusive use of the words 'Rahtjen's Composition,' and, unless they disclaimed that exclusive right, they could have obtained no trade-mark."

This error is apparent from the preceding pages of the opinion (pp. 3 and 4), which show that the Court has confused two different registrations: viz., that of the symbol of the open hand by *Hartmann Bros.—not Suter, Hartmann & Co.—on April 25, 1883*, in connection with which *neither the words "Rahtjen" nor "Patent" appears, nor was there any disclaimer*, and that by *Suter, Hartmann & Co., of the fac simile of their autographic signature on January 9, 1884*, in connection with which the disclaimer was filed, as appears by the original exhibit, the print in the Record (pp. 406-409) not being an exact reproduction. It is also evident that the Court has confused the commercial firm of Suter, Hartmann & Co. with the manufacturing firm of Hartmann Bros. At the time of the disclaimer the right to the name Rahtjen's Composition in England was in *Hartmann Bros.* by virtue of their license contract with Rahtjen (see Ex. H. H., Rec., pp. 207 and 208), and *not in Suter, Hartmann & Co.*, and hence the disclaimer by the latter was *proper*, and in *no way affected*

the rights of Hartmann Bros., but rather was a recognition of their rights as far as it had significance.

The Court's error on this point is material, because the formal disclaimer of subject matter which belonged to another firm could not be presumed to limit the latter's rights, especially in the United States where for years prior to the disclaimer the trade-mark had been established and used, and was later registered, by the representatives of Hartmann Bros., the trade-mark being immediately assigned to Hartmann Bros. (see Ex. N. N., p. 202). *Rahtjen never parted with the trade-mark "Rahtjen's Composition" until 1880*, when he transferred it to his licensees, Hartmann Bros., who caused the mark to be registered for them in the United States.

VI.

The Court also errs in finding that the domestic trade-mark "Rahtjen's Composition" was not used until after the Holzapfel Company began to use the name on its own paint.

The Court says :

> (Op., p. 7.:) "The registration of the trade-mark of Hartmann, LeDoux & Maecker in the United States in June, 1885, was not only subsequent to the expiration of the English patent, but also *subsequent to the time when the defendant company had commenced to manufacture the paint as 'Rahtjen's Composition*, Holzapfel's Manufacture,' and *had sent the same to the United States under that description* at least as early as 1884.

The United States registered trade-mark could not, therefore, interfere with the *prior* (but not exclusive) *right of the defendant to the use of those words.*" And

(P. 9.:) The domestic trade-mark which the respondent also claims gives it that right *was not used until after the sale of the composition by the petitioner in the United States under the name of 'Rahtjen's Composition,* Holzapfel's Manufacture.' "

These statements are not supported by the evidence. The trade-mark certificate (Complainant's Exhibit, Record, p. 210) contains the following words, viz.:

" This trade-mark has been used continuously in business by us and those from whom we derived our title, since 1878 " ;

this being the date when the registrants' agency commenced.

This is *prima facie* proof of the fact of the use of the trade-mark from 1878 to the date of the registration. It appears, further, that the registrants as agents for Rahtjen and later for Hartmann Bros. did a continuous and increasing business in Rahtjen's Composition from the beginning of their agency in 1878 (see Dep. J. Rahtjen, Rec., p. 105–6).

" Q. 67. You have stated that the agency of Mr. Gelien was terminated in the year 1877. Did you appoint or have any other agent or agents succeeding him ? If so, who were they ?

" A. They were Hartmann, Le Doux & Maecker of New York.

" Q. 68. State whether or not they were appointed and acted as your sole and exclusive agents.

" A. They were.

"Q. 69. When did that firm's agency commence?
"A. In 1878."

* * * * * *

"Q. 80. State if you know the amount of 'Rahtjen's Composition' which you furnished to the firm of Hartmann, Le Doux & Maecker from Bremerhaven during the year 1878 and the first half of the year 1879.
"A. In 1878, 196 cwt. were sent, and, during 1879, 154 cwt. were sent."

It appears from Exhibit P (Record, pp. 185–189) that the business increased from year to year, until 1891.

The use of the domestic trade-mark by the registrants for its owners, the manufacturers Rahtjen and his licensees Hartmann Bros. from 1878, is thus conclusively proven.

This last specified mistake of fact is material, because upon it is distinctly based the ruling that:

"The United States registered trade-mark could not, therefore, interfere with the prior (but not exclusive) right of the defendant to the use of those words" (Op., p. 7).

Conclusion.

In conclusion, it is respectfully submitted that, in view of the evidence thus called to the attention of the Court *by exact quotation*, the questions at issue should be re-examined and a rehearing granted, in order that the evidence may be discussed. In this way it will be developed whether error has been made in the decision

of the Court, and if such be found to be the case it can be rectified.

We desire also to note that none of the facts which we have cited from the record have been contradicted, or even questioned, on behalf of the petitioner, either by evidence or in argument. The finding of fact by the Circuit Court of Appeals, which fully sustains our contention and which sets forth nearly every fact above noted by us, is not questioned in a single particular either by the dissenting member of that Court or by counsel for petitioner in their brief and argument here. The Judges of the Circuit Court of Appeals, while in substantial accord as to the facts, have disagreed as to the legal effect of the same. The finding of fact by this Court disagrees, in the important particulars pointed out in the six heads of the preceding memorandum, with the finding of the Court of Appeals, and we submit that this is an additional reason why the evidence should be re-examined and counsel again heard upon the same.

New York City, November 26, 1901.

Respectfully submitted,

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